



Michigan *Office of the Auditor General* **REPORT SUMMARY**

Performance Audit

Client Eligibility Oversight, Error Identification, and Error Prevention Processes for Selected Public Assistance Programs Department of Human Services

Report Number:
431-0285-05

Released:
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The Department of Human Services (DHS) establishes client eligibility for several public assistance programs, including the Family Independence Program (FIP), Food Assistance Program (FAP), Child Development and Care (CDC) Program, and Medical Assistance (MA) Program. Approximately 2,900 assistance payment (AP) caseworkers establish client eligibility at 110 DHS local offices throughout the State.

Audit Objective:

To assess the effectiveness of DHS's oversight of the client eligibility determination processes at DHS local offices for FIP, FAP, the CDC Program, and the MA Program.

Audit Conclusion:

DHS was moderately effective in its oversight of the client eligibility determination processes at DHS local offices for FIP, FAP, the CDC Program, and the MA Program. We noted five reportable conditions (Findings 1 through 5).

Reportable Conditions:

DHS did not conduct a workload analysis to determine the optimal AP caseworker staffing levels needed for each of the DHS local offices (Finding 1).

DHS needs to analyze AP caseworker responsibilities and coordinate with the United Auto Workers Local 6000 union

bargaining unit to identify and implement strategies to improve caseworker effectiveness (Finding 2).

DHS's current internal reporting system to identify the standard of promptness rate for timely processing of initial FAP applications did not coincide with federal regulations (Finding 3).

DHS did not implement a schedule to ensure that it conducts on-site administrative reviews at all DHS local offices (Finding 4).

DHS should improve its policy evaluation process to follow up on policies and policy changes that are more difficult to understand and to identify family independence managers (FIMs) and AP caseworkers who do not have a thorough understanding of the policies or policy changes (Finding 5).

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Audit Objective:

To assess the effectiveness of DHS's efforts to implement error identification and correction processes regarding client eligibility determination for FIP, FAP, the CDC Program, and the MA Program.

Audit Conclusion:

DHS was not effective in its efforts to implement error identification and correction processes regarding client eligibility determination for FIP, FAP, the CDC Program, and the MA Program. We noted one material condition (Finding 6) and three reportable conditions (Findings 7 through 9).

Material Condition:

DHS did not have a process in place to identify and correct errors for FIP and the CDC Program to improve payment accuracy. Also, DHS needs to enhance its error identification and correction processes for the MA Program. (Finding 6)

Reportable Conditions:

DHS did not ensure that FIMs and AP caseworkers consistently evaluated the effect that FAP errors, identified in the Case Read Information System, had on other AP programs (Finding 7).

DHS should centralize the Automated Find and Fix process to ensure that eligibility discrepancies are addressed in a timely manner (Finding 8).

DHS needs to improve its ongoing training opportunities to ensure that AP caseworkers receive the necessary training

to perform their eligibility determination responsibilities appropriately (Finding 9).

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Audit Objective:

To assess the effectiveness of DHS's efforts to implement and sustain improvement initiatives for reducing client eligibility determination errors for FIP, FAP, the CDC Program, and the MA Program.

Audit Conclusion:

DHS was moderately effective in its efforts to implement and sustain improvement initiatives for reducing client eligibility determination errors for FIP, FAP, the CDC Program, and the MA Program. We noted one reportable condition (Finding 10).

Reportable Condition:

DHS had not fully implemented and/or expanded initiatives identified as effective in reducing eligibility determination errors (Finding 10).

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Agency Response:

Our audit report contains 10 findings and 11 corresponding recommendations. DHS's preliminary response indicates that it agrees with 8 recommendations, partially agrees with 2 recommendations, and disagrees with 1 recommendation.

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A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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